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Market Development Reports

Food Business Line

Periodic Press Translations from ATO Tokyo

2004

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Report Highlights: The Industrial Revitalization Corporation of Japan (IRCJ) steps in to create financial revitalization plans for *Daiei*; Unseasonable weather conditions, including typhoons impact wholesale produce prices in Japan; A capital tie-up between *Mitsubishi* and *Meidi-Ya* will create Japan's largest food wholesale group; *Matsuya* turns to Chinese beef to resume sales of its beef bowl menu; *Reins International Group*, known for its Gyukaku restaurant chain diversifies into the supermarket sector; Chef Wolfgang Puck visits one of his newly opened *Wolfgang Puck Express* restaurants in Tokyo and; *Kagome Co., Ltd.* is construct a new plant in Italy to sell frozen food to the HRI sectors in both Japan and Europe.

Includes PSD Changes: No
Includes Trade Matrix: No
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Food Business Line

Periodic Press Translations from ATO Tokyo

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Retail/Wholesale

- According to the mid-year financial statements for 40 major supermarket store operators, 23 saw their sales increase and 21 saw their **ordinary profit** increase for the first half of the fiscal year, but their **rough profit** decreased mainly due to the increased need for bargain sales required to secure a certain number of customers. (f 10/28, a 10/26)
- Mr. Kunio Takagi, President, and Mr. Heihachiro Yoshino, Chairman, of the *Daiei Corporation* announced resignations from their respective positions effective within this month in order to take on the responsibilities to assist the Industrial Revitalization Corporation of Japan (IRCJ) with revitalization plans for *Daiei*. (b 10/10)
- According to the mid-year financial statements for the five major convenience store operators in Japan, all five realized sales increases for the first half of the fiscal year mainly due to the unusually hot summer. (a 10/15)
- The price of fresh vegetables has been going up due to the most recent unseasonably stormy weather because of continuing rains and typhoons. For example, the wholesale price of lettuce is up 70-80% and spinach up 50% as compared to last summer's prices at the Tokyo Wholesale Market. (a10/15)
- *Mitsubishi Shoji*, which includes *Ryoshoku*, the second largest food wholesale company in Japan, within its group of companies, will enter into a capital tie-up *Meidi-Ya*, the 7th largest food wholesaler in Japan. The resulting combination of *Ryoshoku* with *Meidi-Ya*'s food wholesale department will create the largest food wholesale group in Japan with annual sales of US\$1500 billion. (a 10/)
- *Lawson Inc.* has come to an agreement with *Tohoku Spa*, a voluntary chain operating in the north Tohoku Region, to acquire approximately 90 stores. (a10/22)

Food Service

- *Matsuya*, a beef bowl chain restaurant, resumed its main menu offering "Gyumeshi" (beef rice) which has not been sold for six months because of the ban against imported U.S. beef. Although the new Gyumeshi uses Chinese beef, the company says it successfully created a similar tenderness and taste to the product previously made with U.S. beef. (a10/13)
- The *Reins International Group*, one of which is its *Gyukaku* restaurant chain, announced that they will buy *Seijo Ishii Co., Ltd.*, a high-end supermarket, at the end of October. The name "Seijo Ishii" will be unchanged and development efforts will target major train stations. (a9/30)
- Chef Wolfgang Puck visited one of his two newly opened California Cuisine restaurants called "Wolfgang Puck Express" in Tokyo to commemorate its opening. (Fuji Sankei Business I 10/18)

Food Processing/New Products/Market Trends

- *Asahi Breweries, Ltd.* will acquire 15% share of stock in *High Star*, a liquor import and sales company of the *Lotte Group* in Korea. The purpose of *Asahi's* purchase is to strengthen its position for liquor exports and sales including its beer products in the Korean market. (f 10/28)
- *Kagome Co., Ltd.*, Japan's largest producer of tomato based products and its four consolidated partners started preparations in Calabria State, Italy for the construction of a factory called *Vegetaria*, which will produce and sell frozen food to restaurants and food processors in Japan and the European Union. (f 10/28 a10/21)

Food Safety/Consumer Awareness

- No Significant Articles

ATO/Cooperator/Competitor Activities/Trade Shows

- No Significant Articles

∞ Sources ∞

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal |
| (c) The Japan Food Journal | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News | (f) The Food Industry News |

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